

<p align="center">STATE OF ALASKA DEPARTMENT OF HEALTH & SOCIAL SERVICES</p> <p align="center">DIVISION OF ADMINISTRATIVE SERVICES</p> <p align="center">POLICY & PROCEDURE MANUAL</p>	SECTION: Commissioner's Office for HCS	Number: 150	Page: 1
	SUBJECT: Medicaid Independent Audit Appeal Process		
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PURPOSE:

This document outlines the required process for informing Medicaid providers of audit results and responding to their appeal requests and includes responsibilities delegated to various sections within the department.

POLICY:

Pursuant to State regulations at 7 AAC 43.067, Medicaid providers are subject to random audits performed by the Department or its representative. The audit finding may result in the Department seeking to recover an overpayment made to the provider. Often overpayment announcements and recoupment activities generate an appeal request from the provider to the Commissioner's Office.

The following process streamlines the reporting of audit findings and subsequent appeal requests, within the bounds of regulation, to enhance customer service levels for providers and minimize the need for further appeals to superior court. Further, it clarifies the responsibilities of agencies within the Department that must process these appeals and codifies the internal process they must follow.

RESPONSIBILITIES:

- A. The Division of Health Care Services (DHCS) is responsible for transmitting the audit report and findings to the provider. DHCS will supply the Deputy Commissioner's Office with all information required to process provider appeal requests, including a preliminary list of audits performed; forward any further information obtained from the provider by coordinating with the Deputy Commissioner's Office; appear at the pre-hearing conference and evidentiary hearing, if there is one.
- B. The Deputy Commissioner's Office is responsible for responding to appeal requests, scheduling pre-hearing conferences and evidentiary hearings, and maintaining the official appeal record. The Deputy Commissioner also presides over the pre-hearing conference.

PROCEDURE:

- A. DHCS sends audit transmittal letter with audit report and findings to the provider. This letter must:
 1. Advise provider of audit results
 2. Describe provider's appeal rights, including:
 - a. The right to appeal within 30 days,
 - b. The ability to request an extension from the Deputy Commissioner within the same 30 day timeframe,

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3. Provide the Deputy Commissioner's Juneau address for appeal submissions;
 4. Specify that the provider's appeal submission requirements must include:
 - a. A clear description of the issue or decision being appealed,
 - b. The reason for appeal, AND
 - c. All information and materials that the provider is requesting the commissioner consider in resolving the appeal. (7 AAC 43.085 (i))
 5. Serve as a cover letter for the audit findings and report, with all three copied to the Deputy Commissioner's Office, Juneau.
- B. Provider appeal request is sent to Deputy Commissioner's Office (DCO) in Juneau for consideration :
1. If provider's appeal request is received timely and in accordance with the instructions in the Audit Transmittal Letter;
 2. DHCS will notify the DCO by email of any misdirected appeal request letters, to protect the request date, and forward the hard copy as soon as possible.
 3. Appeal or extension requests may be made telephonically to the Deputy Commissioner's Office within the 30-day appeal period. Any required written documentation must be received in the Deputy Commissioner's Office within the same period.
- Late appeal requests
1. At the discretion of the Deputy Commissioner, appeal requests received after the 30-day timeframe will be considered in light of any extenuating circumstances that may have caused the late request;
 2. DCO will respond with a letter to the provider that informs them whether the appeal was accepted or not.
- C. Deputy Commissioner's Office response letter to the provider's appeal request must contain:
1. Acknowledgment of appeal request receipt;
 2. The pre-hearing conference date, scheduled within 30 days,
 3. A statement that the purpose of the hearing is to "discuss specific issues stated in your request to appeal" that are "clarified and supported by documentation."
 4. Notification that they can request a telephonic pre-hearing conference;
 5. Notification of the right to request an evidentiary hearing , to be scheduled at the pre-hearing conference, if no settlement is reached;
 6. The deadline for submitting documentation to be considered at the pre-hearing conference;

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7. Notification of pre-hearing location (Anchorage) and address to send all documentation (Juneau);
8. Inform of the right to forgo the pre-hearing conference and evidentiary hearing and appeal the decision directly to the Superior Court.

D. Pre-Hearing Conference

1. DCO begins building timelines with provider at pre-hearing conference for evidence sharing process, producing documentation and any other interim meetings as needed.
2. Both of the following letters are to be sent by DHCS to the DCO in draft for finalization and mailing:
 - a. If settlement is obtained at this conference, appellant is sent an official statement to formally close the matter.
 - b. If no settlement is reached, appellant is notified in writing that an evidentiary hearing is scheduled within the next 30 days.

E. Evidentiary Hearing

1. Appellant has 30 days to appeal repayment set amount (overpayment) OR
2. May appeal decision to directly to Superior Ct.

F. Internal Departmental Process and Procedure

1. Deputy Commissioner's Office process :
 - a. Send out the DCO response letter to provider's request for appeal (as detailed in Section C.);
 - b. set date for pre-hearing conference on DC's calendar and sends letter referenced in F.1.a., above;
 - c. e-mail DHCS staff with copy of DCO response letter informing them of appeal request and pre-hearing date.
 - d. log all appeal and extension request information into tracking system;
 - e. maintain all official logs and appeal files in Juneau as part of the appeal record;
 - f. shares information with designated DHCS staff as requested;
 - g. schedule evidentiary hearing, if provider requests one at the pre-hearing conference
2. Division of Health Care Services process:
 - a. Copy DCO with all correspondence to provider.
 - b. Notify DCO promptly of all other document sharing with the appellant;

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- c. Whether settlement is reached at pre-hearing conference or an evidentiary hearing is scheduled at that time, DHCS will send draft copy of the appropriate provider notification letter to DCO, who will finalize and send it, to formally close the case.

G. Appeal File Contents

DCO will construct an appeal file inventory;

1. Appeal file will contain:
 - a. Copy of audit transmittal letter with audit findings and any other documentation included.
 - b. Copy of provider appeal letter and any backup information provided with it;
 - c. Copy of Appeal Request Acknowledgement letter from DCO;
 - d. Any materials submitted before or during the pre-hearing conference;
 - e. Any letters sent from DCO as a result of the pre-hearing conference;
 - f. Copies of notes from any communications between the state and the provider that occurred during this process.
2. DHCS will forward listed materials upon receipt of notification that an appeal has been filed with DCO.